

MWD approves 14% hike in rates for imported water

The effects of the increase, which takes effect Jan. 1, on Southern California household bills will vary broadly.

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The Metropolitan Water District board today approved a 14.3% increase in the 2009 rates it will charge for imported water, a hike that will vary widely in the dollars it adds to Southern California household water bills.

Some board members argued unsuccessfully that rates should rise 20% to cover expenses of the Los Angeles-based public water agency, which is dealing with drought and higher costs for delivering water. They worried that the MWD's bond rating could be hurt because the board is dipping into already low reserves to shield consumers from the actual costs of water. But the board majority voted against a larger increase.

The agency serves 18 million people in six counties from Ventura to San Diego.

The impact on residential water bills will depend on how much imported water a customer's city or water district buys from the MWD. Los Angeles residents will see an estimated boost of \$3.31 a month for the average household as of July 1, 2009, if today's increase is added to two rate hikes proposed by the **Los Angeles Department of Water and Power**.

The MWD increase will translate into about a \$2-a-month increase for an average household in Santa Monica and \$1.40 a month in Long Beach, not including any local rate increases, city officials said. Water officials in several cities, including Beverly Hills, said they had not yet calculated the effect on local bills. MWD officials estimate that the average household in the region will see a \$1.50 monthly increase.

The 14.3% increase will go into effect Jan. 1, 2009, and rates are expected to rise again in 2010 and 2011, MWD officials said. They blame the increases largely on water shortages caused by record dry weather last year, a prolonged drought in the Colorado River Basin and a federal court

decision protecting the endangered delta smelt that has slashed water deliveries from the Sacramento-San Joaquin River Delta. The agency must also pay for debt service and its program to stem the spread of invasive quagga mussels in its pipes and reservoirs.